

DM-365

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DEPUTIES' MEETING

Tuesday, 4 January 1955

PRESENT: Mr. Dulles, General Cabell, Messrs. Wisner, Amory, Colonel White, Messrs. Kirkpatrick, Helms, Bissell, Sheldon and [redacted]

Mr. Dulles:

a. Noted that at the request of the Secretary of State he had talked with [redacted] regarding Indonesia, and he was preparing a memorandum of conversation.

[redacted]

[redacted]

d. Referred to a memorandum of 22 December 1954 from Randolph Higgs in State to [redacted] respecting Operations [redacted], and noted his intention of discussing it at the next OCB Meeting. With respect to the meeting of the U. S. Ambassadors to the Iron Curtain countries referred to in this memorandum, and at which time these operations are to be discussed, the Director felt CIA should be represented and said in all probability [redacted] should attend.

e. Noted that the Kersten Report was coming out today, and in this connection Kersten had indicated there are a "few thousand"

dollars remaining in the funds allotted for the project which he wished to use in furtherance of this program. The Director said he had advised Mr. Kersten this was a matter for RFE decision and he had subsequently so informed Whitney Shepardson.

f. Referred to certain FBI reports furnished him from time to time by Mr. Hagerty, and stated since the last batch contained information of interest to CIA he intended to ask Mr. Hagerty if he had any objection to our requesting direct distribution of these reports from the FBI.

g. Noted a report furnished by [ ] on cable traffic and indicated his concern over the fact that we apparently were not having much success in reducing the number of cables received and sent. The Director said he realized we could not control incidents which occurred from time to time and which always tended to increase cable communications. Mr. [ ] noted that our proposed Airgram system had recently been concurred in by the Department of State for a six months' trial basis, and it is believed this will reduce cable traffic. The Director asked for a report on this system after a reasonable length of time.

h. Noted a letter from [ ] dated 24 November 1954, in which he requested an additional \$1500.00 monthly, and stated he had forwarded a copy of this communication to General [ ] with the notation that he was "not disposed to increase the present subsidy unless there is some particular urgent reason". The Director said he would discuss this matter at the next OCB Meeting, and in the meantime asked that a copy of [ ] letter be sent to DD/P. (NOTE: This was done on 23 December 1954.)

i. Asked that [ ] and a representative of the SR Division, if necessary, prepare a study on Soviet Front Organizations. The Director said he felt such a study would be of interest to the intelligence community and consideration should be given to making a wider distribution on an unclassified basis. Mr. [ ] noted that such a study is in preparation by [ ] In connection with foreign front organizations, the Director stated he felt every effort should be made to penetrate them and asked Mr. Helms for a report on what has been accomplished to date in this regard.

Mr. Wisner:

a. Noted that subsequent to the Bangkok Conference there would be a meeting on Article 2 at which time future security information meetings would be discussed. Mr. Wisner said it was

the U.S. view that the attendance of such meetings would be left flexible but could include representatives of the eight powers.

25X1 b. Reported that [ ] had prepared a declaration for the Bangkok Conference and asked if the Director desired to see it and make it available direct to the Secretary of State. The Director indicated he did not and stated the declaration should be furnished State through our normal channels.

25X1 c. Referred to [ ] comment that General [ ] would retire in March and suggested the Director might wish to send him a cable indicating he would be interested in obtaining his services. The Director stated he would do this after he had an opportunity to discuss the matter at some further length with [ ]

25X1 Mr. Amory:

a. Suggested that the Hungarian reply to the recent U.S. note on the RFE leaflet campaign be made public. The Director agreed and stated that: (1) he would mention this at the next OCB Meeting; (2) he desired several copies of the original Hungarian note - our reply thereto - and their last reply referred to above.

b. Noted that several of the Service IAC Members would at the next IAC Meeting raise the question of including in the DCI Quarterly Report to the NSC the problem of the inadequacy of the overt intelligence collection program as a result of stringent budgetary cuts.

c. Referred to the briefing for Mr. Dodge now scheduled for 11 January 1955 and undertook to determine the exact time at which it would be held. A dry run was scheduled for 4:00 p.m. on 6 January.

d. Referred to a proposed letter to the Secretary of State from the Director respecting a weekly report to State on the situation with regard to the Offshore Islands. The Director made it clear he did not wish to be put on the hook for making regular reports to State on this, but did agree with DD/I's recommendation that he handle this matter through Park Armstrong to ensure that the Secretary receives all available information on this subject.

Mr. Kirkpatrick:

Referred to his recent report to the Director on [ ] and stated this individual had been allowed to go to [ ] "unattended" and as a result of this we have now received a report that he had approached a newspaper with an offer to furnish photographs and information on one of our operations - believed to be PBSUCCESS.